

Message Text

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PAGE 01 OTTAWA 02776 082108Z

22

ACTION EUR-12

INFO OCT-01 IO-13 ISO-00 AID-05 CEA-01 CIAE-00 COME-00

EB-07 FRB-03 INR-07 NSAE-00 CIEP-01 SP-02 STR-04

TRSE-00 LAB-04 SIL-01 SAM-01 OMB-01 L-03 PA-01 PRS-01

USIA-06 /074 W

----- 062101

R 082031Z JUL 76

FM AMEMBASSY OTTAWA

TO SECSTATE WASHDC 399

INFO AMEMBASSY BONN

AMEMBASSY BRUSSELS

USMISSION EC BRUSSELS

AMEMBASSY COPENHAGEN

AMEMBASSY DUBLIN

USMISSION GENEVA

AMEMBASSY THE HAGUE

AMEMBASSY LONDON

AMEMBASSY LUXEMBOURG

AMEMBASSY PARIS

USMISSION OECD PARIS

AMEMBASSY ROME

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E.O. 11652: N/A

TAGS: ETRD, EEC, CA

SUBJ: CANADA/EC AGREEMENT

1. SUMMARY: LONG-DISCUSSED AGREEMENT FOR COMMERCIAL
AND ECONOMIC COOPERATION BETWEEN CANADA AND THE EUROPEAN
COMMUNITIES WAS FINALLY SIGNED IN OTTAWA JULY 6. WHILE
LOOSELY-WORDED AGREEMENT PROVIDES BROAD FRAMEWORK
WITHIN WHICH INCREASED COOPERATION CAN TAKE PLACE, ITS
SUCCESS DEPENDS PRIMARILY ON INITIATIVE OF PRIVATE
BUSINESS. AGREEMENT CONTAINS NO PREFERENTIAL

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PAGE 02 OTTAWA 02776 082108Z

ARRANGEMENTS. GOVERNMENT OFFICIALS HAVE PROCLAIMED

THE AGREEMENT A POLITICAL AND ECONOMIC VICTORY FOR CANADA BUT MEDIA COVERAGE WAS ONLY PERFUNCTORY. END SUMMARY.

2. AGREEMENT FOR COMMERCIAL AND ECONOMIC COOPERATION BETWEEN CANADA AND EUROPEAN COMMUNITIES (CANADA-EC AGREEMENT) WAS SIGNED JULY 6. IN OTTAWA BY SECRETARY OF STATE FOR EXTERNAL AFFAIRS MACEACHEN FOR CANADA AND BY NETHERLANDS MINISTER OF FOREIGN AFFAIRS VAN DER STOEL, PRESIDENT IN OFFICE OF EC COUNCIL AND SIR CHRISTOPHER SOAMES, VICE-PRESIDENT OF THE COMMISSION OF EUROPEAN COMMUNITIES, FOR THE EC.

3. FOR CANADA THE AGREEMENT REPRESENTS CONCRETE STEP IN ITS IMPLEMENTATION OF "THIRD OPTION", A POLICY IT CHOSE AFTER AN IN-DEPTH FOREIGN POLICY REVIEW IN LATE 1960'S. POLICY ADVOCATES CLOSER COMMERCIAL AND ECONOMIC TIES WITH EC IN ORDER TO REDUCE ITS VULNERABILITY TO AND LESSEN ITS DEPENDENCE ON U.S. IMPETUS FOR SOME TYPE OF "CONTRACTUAL LINK" WITH EUROPEAN COMMUNITIES BEGAN WITH GOC APPROACH TO EEC IN 1972, FOLLOWED BY PM TRUDEAU'S THREE VISITS TO BRUSSELS AND ALL EC MEMBER COUNTRIES BETWEEN OCTOBER 1974 AND JUNE 1975.

4. CONTENT OF AGREEMENT BROUGHT NO SURPRISES AND ESSENTIALLY FOLLOWED TEXT OF MANDATE TO EC COUNCIL OF MINISTERS (EC BRUSSELS 5221, JUNE 11, 1975). COPIES OF AGREEMENT AND ACCOMPANYING PRESS RELEASE BEING TRANSMITTED DEPARTMENT AND EC MISSION BRUSSELS UNDER COVER OF AIRGRAM.

5. WHILE AGREEMENT IS VAGUE AND COUCHED IN NEBULOUS TERMS, IT DOES PROVIDE FRAMEWORK WITHIN WHICH RELATIONS CAN DEVELOP. IT MANIFESTS CANADIAN INTEREST IN EUROPE AS A TRADING AREA AND EUROPE'S ACCEPTANCE OF CANADA AS SOMETHING MORE THAN AN ECONOMIC APPENDAGE OF U.S. AS EMBASSY HAS ALL ALONG BEEN ASSURED, NO PREFERENTIAL ARRANGEMENTS OF ANY KIND ARE CONTAINED IN THE AGREEMENT.

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PAGE 03 OTTAWA 02776 082108Z

6. SUCCESS OF AGREEMENT WILL ESSENTIALLY DEPEND ON USE MADE OF IT BY BUSINESSMEN AS AGREEMENT BY ITSELF WILL NOT LEAD TO ACTION. L. M. BERRY, ASSISTANT DIRECTOR COMMERCIAL POLICY, EXTERNAL AFFAIRS, COMMENTED TO EMBOFF THAT TIMING OF AGREEMENT IS UNFORTUNATE AS IT COMES DURING A PERIOD WHEN RELATIONS BETWEEN CANADIAN BUSINESS COMMUNITY AND THE GOVERNMENT ARE

NOT GOOD. SPOKESMAN FOR CANADIAN MANUFACTURERS'
ASSOCIATION REPORTEDLY TERMED AGREEMENT "A BLAND
BUCKET OF FOG."

7. AGREEMENT WAS SO LONG IN GESTATION, ITS
PROVISIONS COUCHED IN SUCH BROAD GENERAL TERMS,
AND ITS SIGNING OCCURRING AT A TIME WHEN OTHER
HEADLINE CATCHERS FILL THE NEWS AND WHEN RECENT
PUBLIC OPINION POLLS INDICATE INCREASING
AWARENESS OF CANADIAN DEPENDENCE ON U.S.
ECONOMY, THAT IT WAS NOT COVERED VERY COMPLETELY
BY CANADIAN MEDIA. ONE JOURNALIST SAID EXTAFF HAD
PHONED AROUND AND TRIED TO GENERATE INTEREST,
BUT IT WAS SIMPLY NOT A BIG STORY. TV NETWORK
COVERAGE WAS PERFUNCTORY AND TORONTO GLOBE AND
MAIL, MOST IMPORTANT NATIONAL DAILY NEWSPAPER,
USED ONLY WIRE SERVICE ACCOUNT (ON FOURTH PAGE OF
BUSINESS SECTION).
ENDERS

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Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: ECONOMIC COOPERATION, TREATY SIGNATURE, TRADE, ECONOMIC AGREEMENTS
Control Number: n/a
Copy: SINGLE
Draft Date: 08 JUL 1976
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: BoyleJA
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1976OTTAWA02776
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D760264-0582
From: OTTAWA
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1976/newtext/t19760779/aaaacron.tel
Line Count: 134
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION EUR
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 3
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: n/a
Review Action: RELEASED, APPROVED
Review Authority: BoyleJA
Review Comment: n/a
Review Content Flags:
Review Date: 31 MAR 2004
Review Event:
Review Exemptions: n/a
Review History: RELEASED <31 MAR 2004 by greeneet>; APPROVED <03 AUG 2004 by BoyleJA>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
04 MAY 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: CANADA/EC AGREEMENT
TAGS: ETRD, ECON, CA, EEC
To: STATE
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 04 MAY 2006